therefore reuquest that the House may be pleased that the Bill as reported on by the Select Comittee may be taken into consideration.

Mr. B. V. K. Menon *(Joint Secrtary to Government)*:—I second it

Motion put and carried
Clauses 2 to 11 put and carried
Schedule put and carried
Clause 1 and title and preamble put and carried

The Starting of Kuries Restriction Bill

Mr. P. V. Raphael *(Comptroller of Finance and Accounts)* :—Sir, I beg leave of the House to introduce the Cochin Starting of Kuries Restriction Bill.

Mr. M. Sivarama Menon *(Advocate-General)*: I second it.

Mr. P. V. Raphael *(Comptroller of Finance and Accounts)*:—In commending this Bill for the kind acceptance of the House, I do not think any great speech is required. The Bill is a very simple one and its clauses are self-explantory. The Bill aims at two objects chiefly, one to control the floating of new kuries in the State, and the other to provide for the safe investment of prize-money due in respect of "kainarak" and other "naraks" owned by certain classes of Company Foremen. Of late, it is a well-known fact that the influx of surplus money in the State has been very great as all over India. Even an ordinary man finds that his surplus cash has increased far beyond his expectatins and he is in the search for new sources of investment; and kuri foremen were alive to the situation and they have begun to start kuries all over the land in very large number. In 1118, for example, we had 90 new kuries started in the land and in 1119, new kuries rose to 153, and these have drawn a "sala" of over 3 lakhs of rupees in 1118 and over 8 75 lakhs in 1119. Government do appreciate the starting of these kuries, but they do feel that some sort of restriction in the starting of these kuries is very much required. We have had very better experiences in the past of some at least of these kuries. Kuries are started by all sorts of foremen, some of them somewhat speculative in nature and others of a very impecunious position in life. They have got to be controlled and therefore Government proposed to introduce clause 2 of this Bill, whereby prior sanction of the Government has to be obtained for the starting of these Kuries. The other important provision of thes Bill is that certain classes of foremen are compelled to invest in proper securities a portion of the prize money of the tickets drawn by them. The present practice, as the Hon'ble Members are aware, is that foremen of Kuries have got the Kainarakku amount for themselves and in many Kuries which are common in Trichur and in some other places the 6th and the 12th Narak Tickets are also drawn by them by provision in the vaimnpu. All these amounts are appropriated by the Foremen and Government consider that this appropriation by the Foremen of these amounts should not also go unrestricted. Of course in doing so Government have to take into consideration the position of all these Foremen. It may not be quite appropriate that all the Foremen are compelled to invest the amounts drawn by them in proper securities. Government have considered this question and have come to the conclusion that for the present at least only such of the foremen, Company foremen, as could easily imvst inproper securites without much of a difficulty for them should be compelled to do so, Accordingly they have provided in Section 3 that such of the Company Foremen who have got a paid up capital of 25,000 rupees or a working capital of 3 lakhs of rupees alone should be compelled to invest and that also only up to the extent of 75 percent of these Kuri amount. While this provison of the Bill serves as an anti-inflationary measure also, it will be seen that it will be very good in the long run both in the interests of the subscribers as also of the foremen themselves. Therefore it is that the Government have considered that this is also a very desirable provision in the Bill on the whole is generally a very innocuous one a very necessary one in the interests of the country at large and I request that the House may be pleased to pass this Bill into law.

*Mr. Joseph Pettah *(Adur)*: Sir, I beg to oppose this Bill. In the first place I would ask the House how it is an anti-in flationary measure. Every piece of legislation recently has been sought to be dealt with as anti-inflationary. We have had some experience of that in the Budget Session when two measures were introduced under this colour—there were two measures sailing under the flag of anti-inflation. But the House could see through it and both those Bills were turned down. Now comes again another under the colour of anti-inflation. What is the meaning of anti-inflation? Of course the objects and reasons it is considered necessary as anti-inflationary measure to impose certain restrictions and conditions on the starting of new Kuries. That is one idea.

* Speech not corrected by the Hon'ble Member.

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Another is that certain big companies must be made to invest 75 per cent of collections in proper securities. So far as I understand anti-inflation is something which prevents the further issue of money or the further putting into circulation of money or freezing a portion of the money already in circulation. I fail to see how putting restrictions in Kuri could effect either. Of course I can understand that if people are subscribing to the War Bonds issued by the Government of India, that is anti-inflationary because to that extent the Government of India could refrain from putting into circulation further quantities of currency notes. But for the Government of Cochin it is not an issuing authority in the matter of currency even if the money is called back by the Government of Cochin it is called back in one way and again put into circulation with the other arm. So this anti-inflationary argument does not stand at all. Investing in bonds I said is anti-inflationary measure. But there the pertinent question is why should there be this insistence on investing on bonds only on the Kuries. We find that in these days industrial and commercial people are making money by the tons. They might be made to invest in Government Bonds. Why the Kuri amount alone and 75 per cent of it should be invested? The Hon'ble Member was saying that it is in the case of big companies that this insistence is made. What is the object behind? Is it a question of security? If it is a question of security it should be more applied in the csse of small concerns because it is in their case that there is some doubt about the security or stability of their position. The Hon'ble the Finance Member was saying that everybody is getting more money than he could fairly make use of. For that there should be and I understand there is a drive at savings and investment. In fact many of these Banks have invested so much of funds already in Government Bonds and it is in their case if at all any consideration is to be shown it is in the case of these concerns that any consideration should be shown. Starting of a Kuri even on a modest calculation a Kuri the Sala of which comes to Rs. 5,550 the starting of such a Kuri implies a gain or a revenue of something like Rs. 2,000 for the Government, the Registration of the Vaimpu, the Filing fees, the Registration of various documents in addition to litigation that would arise in business, but even without litigation there is a clean amount of Rs. 2,000 rvvenue for the Government. When these Banks are making such revenues for the Government by starting Kuries to put restriction on them does not seem to be very statesm anlike.

Another thing. The Government have not taken into consideration and that is the peculiarity of the position of the Companies which are starting Kuries. The Hon'ble Member was pleased to say that the Kinarakku amount is appropriated—that word "appropriation" is misleading. It is just like any other ticket holder. It is only this that the first ticket is drawn or is supposed to have been drawn in the name of the foreman and he gets the money just as any other ticket holder also would be getting money in due course when his ticket is drawn. The only consideration shown to the foreman is that he is given the privilege of the ticket without putting the ticket in the lot. Then he would be collecting Rs. 5,500. But it is very rare that the whole amount is collected on the spot. Again the next time when the ticket is drawn the prize-winner has to be paid the amount. As sure as sure anything it is a fact of common knowledge that on the second instant or on the third instant the collection on the spot would not amount to Rs. 5,500. It would be Rs. 2,000 or 3,000 and the defaulters are given so much grace so much so that they can pay it by later on by paying along with the Kuri amount the ordinary rate of interest. Therefore there is no conplusion for them to pay down on the spot. The collections would be much smaller and how is the foreman managing? of course the prize-winner must be paid Rs. 5,000. The deficit is met from the amount possessed by the foreman by way of remuneration, that is the collection of Kinarakku and other tickets in his name. So that is an amount which is necessary. The foreman is a middle-man as it were. There are paying members and the receiving members. From the paying members he does not receive promptly. To the receiving members he has to answer and therefore he must have some resources with him and these resources are found with the amount he is receiving on the first tickets and some of the tickets that are taken in his name. Therefore I say that the provision that 75 per cent of the amount should be invested is an unbearable position. Even the 75 per cent would not be collected on the spot on the day and even if it is collected what about the succeeding instalment?

Mr. K. S. Panicker *(Ezhuvas-Mukundapuram):* There is a period for payment.

Mr. Joseph Pettah *(Adur):* Even within that period the amount is not collected because the defaulters are allowed time for paying up with a nominal ordinary rate of interest. Therefore there is no compulsion to pay the amount on the due date. If this is the case in the first or second instalment what will be the position in other instalments when the Kuri is drawn. The collection on the spot would not amount to the full and the foreman is in a difficult position and

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you are compelling him to pay 75 per cent. It would be an unbearable course. In viewing the whole position I request the Government to disabuse themselves of certain prejudices which are ill-informed with regard to the nature of the Kuries and nature of the Banks and Companies which are starting Kuries. There is a sort of bias and prejudice which I think is the inheritance and legacy in good old days. In good old days the moneylenders have practised usuries upon the Public and there was perhaps the prejudice created against them. But look at the position now? You go to any Bank a Village Bank or a Town Bank and you find the position is all above board. It is all very clear. With regard to rates of interest and remitions given I can vouch for it from my own personal knowledge that in very many cases it is only 6 per cent or 9 per cent that is taken from the parties and very often even in such cases a good lot is remitted. Such things are done by Modern Banks conducted according to the liberal views of the present day. So it is time to disabuse ourselves of the prejudices entertained as a result of practices obtaining in ancient days. Dr. John Mathai a greater authority in economics has written a small book on Kuries in Malabar and in other Parts of British India. He has included the Kuries in Quasi-Co-operative concerns. Kuries give opportunities for people to save something even compulsorily against themselves. It is a well-known fact that when a man wants to earn something for the rainy day in a family, naturally he takes a ticket in a Kuri. It is a means of clearing a prior encumberance and even recently I came across the auction of a Kuri ticket in order to clear a prior encumberance. A man having an encumberance of Rs. 10,000 has to pay a good amount of interest. So he takes a ticket in a Kuri, he auctions the ticket and clears off his debt. Later on the amount that was being as interest can be utilised to pay up the monthly subscription and after 8 or 10 years he wipes off the debt. He is able to be completely free from debt. Anybody who knows about the working of the Kuries would be able to be corroborate my statement. There are every so many individuals who take advantage of the Kuries. Doubtless it is a means of compulsory saving. Once you take a ticket there is an obligation on the part of the ticket holder to pay up the subscription every month or periodically 3 or 4 times a year. Therefore making retrenchment in other directions which he would not have made otherwise he would be finding money which would be paid as instalment subscription for the Kuri and therefore Dr. John Mathai classified the Kuries as Quasi-co-operative concerns and he has said it is a method—may be in certain cases a clumsy method—which is the principle of co-operation, *i.e.*, helping the needy and co-operating through concerted and organised effort. When we consider all these things I would say that this Bill sailing under the colour of anti-inflation is uncalled for unwarranted and unjustifiable at this hour of the day. If however the Government is persisting in having this Bill my humble request is that in view of the implications—it is not so inncouous as it looks—there is something in it which requires clarification and which requires discussion, dispassionate discussion by a smaller body than is possible in this open Council. My request therefore is if at all the Government insist to see through the Bill, at least refer it to a Select Committee so that it may have the benefit of being thrashed out in all its aspects and a working arrangement arrived at by which much hardship may be avoided which otherwise would cause to the starters of the Kuries and indirectly to the Public. With this request I beg to oppose this motion.

*മിസ്റ്റർ കെ. എസ്സ്. പണിക്കർ: മിസ്റ്റർ പ്രസിഡണ്ട് സർ, I strongly support the Bill കുറികൾ കൊച്ചിരാജ്യത്തു വളരെ അധികം വർദ്ധിച്ചു് ജനങ്ങളെ മുഴുവൻ കഷ്ടപ്പെടുത്തിയതു മൂലം ഉണ്ടായ സാമ്പത്തിക കുഴപ്പത്തിൽനിന്നു് ജനങ്ങളെ രക്ഷിക്കുന്നതിനുവേണ്ടി ഈ നിയമസഭക്കു് പലതും പ്രവൃത്തിക്കേണ്ടതായിട്ടു വന്നിട്ടുണ്ടു്. ഫസ്റ്റ് വർ-ൽ ഉണ്ടായ ലോക മഹായുദ്ധകാലത്തു ഇന്നത്തെപ്പോലെയല്ലെങ്കിൽ ഇതിനേക്കാൾ കുറെ താഴ്ന്നപദവിയിൽ ഉല്പന്നങ്ങളുടെ വില വർദ്ധിക്കുകയും, വ്യവസായങ്ങൾ വഴിയായി ജനങ്ങൾക്കു് പണം ധാരാളമായി കിട്ടുകയും ചെയ്തിരുന്നതുകൊണ്ടു് അന്നു ബാങ്കുകാർ കുറികൾ വെക്കുകയും, ജനങ്ങളെ എല്ലാവരേയും ഒരുവിധത്തിലല്ലെങ്കിൽ മറ്റൊരു വിധത്തിൽ വ്യാമോഹിപ്പിച്ചുകൊണ്ടു് കുറികളിൽ അകപ്പെടുത്തുകയും ചെയ്തു. തദനന്തരമുണ്ടായ സാമ്പത്തിക കുഴപ്പകാലത്തു ജനങ്ങൾക്കു് ഭീഷ്മകാലത്തേക്കു് കുറിയിൽ ശരിക്കു് പണം വെക്കുവാൻ സാധിക്കാതെ വരികയാൽ അവരുടെ വസ്തുക്കളെല്ലാം പണക്കാരായ ബാങ്കുകാരുടെ കയ്യിലകപ്പെടുകയും ചെയ്തു. ഇതിനെ നിയന്ത്രിക്കണമെന്നുള്ള ഉദ്ദേശത്തോടുകൂടി പലതും ഈ നിയമസഭ പ്രവൃത്തിച്ചിട്ടുണ്ടെങ്കിലും അവസാനമായി കുറിവെക്കുന്നതിനെ സംബന്ധിച്ചു് ചില പ്രത്യേക വ്യവസ്ഥകൾ അതായതു് വണ്ടിക്കു കെട്ടുന്ന മൂരിയെ മുക്കുകയറിട്ടു നിയന്ത്രിക്കുന്നതുപോലെ പണക്കാരായ ബാങ്കുകാരെ നിയന്ത്രിക്കുന്നതിനു് ഒരു നിയമം ഈ നിയമസഭയിൽ കൊണ്ടുവരികയുണ്ടായിട്ടുണ്ടു്. അതിന്റെ ഏതാണ്ടു് ഒരു ഭാഗം മാത്രമേ ഈ ബില്ലിലുള്ളൂ. വളരെ വിശാലമായ ആ ബിൽ

*Speech not corrected by the Hon'ble Member.

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സിലക്ട് കമ്മറ്റിക്കയക്കുകയും, സിലക്ട് കമ്മിറ്റി റിപ്പോർട്ടോടുകൂടി അതിവിടെ സമർപ്പിക്കുകയും നിയമസഭ ആ ബിൽ പാസ്സാക്കുകയും ചെയ്യുക ആ നിയമം തുക്കെ വിളയാടിവരുമെന്നുള്ള പ്രതീക്ഷയോടുകൂടി ഇന്നും ജനങ്ങൾ കാത്തിരിക്കുകയാണ്. അതിനുള്ള താമസം കണ്ടപ്പോൾ ഗവൺമെണ്ടിൽനിന്നു ഇങ്ങിനെയുള്ള ഒരു ബിൽ താല്ക്കാലിക രക്ഷക്ക് പറ്റുമാകത്തക്ക ഈ ബിൽ കൊണ്ടുവന്നതിൽ ഞാൻ ഗവൺമെണ്ടിനെ അനുമോദിക്കുന്നു.

മിസ്റ്റർ എ വി. മുത്തേടൻ: ഈ ബിൽകൊണ്ട് ആർക്കാണ് രക്ഷ?

മിസ്റ്റർ കെ. എസ്സ്. പണിക്കർ: സാധുക്കളും, കൃഷിക്കാരുമായ ജനങ്ങൾക്ക് പണക്കാരായ ആളുകൾക്ക് സാധുക്കൾ അവരുടെ അടിമകളാണെന്നു ഒരു ബോധമുണ്ട്. ധനവാന്മാരാണ് ഈ ബാങ്കുകളും മറ്റും നടത്തിവരുന്നതു്. അങ്ങിനെയുള്ളവരാണ് ഈ കുറികൾ നടത്തുന്നതു്. ക്രൂടാതെ പള്ളികൾ മുതലായ സ്ഥാപനങ്ങളും കുറികൾ നടത്തി വരുന്നുണ്ട്. ഒരു വിധത്തിലല്ലെങ്കിൽ മറെറാരു വിധത്തിൽ ദ്രവ്യബാധിതരും, സാധുക്കളുമായ ആളുകളെ മിരട്ടി ഈ കുറിയിലേക്ക് അവർ വലിച്ചിഴക്കുകയാണ് ചെയ്യുന്നതു്. സമ്പാദ്യത്തിനുവേണ്ടി കുറിയിൽ ചേരുന്നവർ വളരെ ദുർല്ലഭമാണ്. ഭൂരിപക്ഷം ആളുകളെ കുറിയിൽ ചേക്കുന്നതു അവരെ ഭയപ്പെടുത്തികൊണ്ടും, വ്യാമോഹിപ്പിച്ചുകൊണ്ടുമാണ്. ഇപ്പോഴത്തെ ഈ യുദ്ധപരിതസ്ഥിതികൾമൂലം കാഷ്കോല്പന്നങ്ങൾക്ക് വില വല്ലാതെ കുറഞ്ഞു; വ്യവസായങ്ങൾ വഴിയായി ജനങ്ങൾക്ക് ധാരാളം പണവും കിട്ടിവരുന്നുവെന്നു കണ്ടപ്പോൾ പുതുമഴക്ക് കൂണുകൾ പൊടിയുന്നതുപോലെ വീണ്ടും പുതിയ പുതിയ കുറികൾ ആരംഭിക്കുവാൻ തുടങ്ങി. അനവധി ആളുകൾ അതിൽ ചേരുകയും ചെയ്തിട്ടുണ്ട്. എന്റെ സ്നേഹിതന്മാരായ പല ആളുകളോടും നിങ്ങൾ ഇനിയെങ്കിലും, ഈ കത്തിജ്വലിക്കുന്ന തീയ്യിൽ ഇയ്യാംപാറ്റകൾ കണക്കെ ചെന്നു് വീഴല്ലെയെന്നു ഞാൻ പറഞ്ഞിട്ടുണ്ട്. എന്റെ ഉപദേശം കുറച്ചെങ്കിലും ആളുകൾ കേട്ടിട്ടുണ്ട്. ഇപ്പോഴത്തെ ധനവല്ലാവുകൊണ്ടു് ആളുകൾ കുഴിയിൽ ചെന്നു വീഴും. യുദ്ധാനന്തരം വലിയ സാമ്പത്തിക കുഴപ്പം ഉണ്ടാകുമോയെന്നു്, അറിയുന്നതിനുവേണ്ടി പാഴൂർ കണിയാരുടെ അടുത്തോ, കല്ലൂർ കണിയാരുടെ അടുത്തോ പോകേണ്ട ആവശ്യമില്ല. ഈ പണിക്കരുടെ അടുത്തു വന്നാൽ മതി (ചിരി.) തീച്ചയായും യുദ്ധാനന്തരം സാമ്പത്തിക കുഴപ്പം ഉണ്ടാകുന്നതാണ്. ഈ നിലക്ക് കുറിയിൽ ചേർന്നിട്ടുള്ള ആളുകൾക്ക് കുറി ശരിയായി നടത്തികൊണ്ടുപോകുവാൻ നിവർത്തിയില്ലാതെ അവരുടെ ശരീരവുംകൂടി ബാങ്കുകാർക്ക് പണയപ്പെടുത്തേണ്ടിവരും. കുറി കിട്ടിയ ആളുകൾക്ക് അവർ ഈടു കൊടുത്തിട്ടുള്ള വസ്തുക്കൾ തിരിച്ചെടുക്കുവാൻ സാധിക്കാതേയുംവരും. അതിനുംപുറമെ കുറി കിട്ടാത്ത ആളുകൾക്ക് അവൻ കുറിയിൽ ഇറക്കിയ പണവുംകൂടി കിട്ടിയില്ലെന്നുവരും. യുദ്ധത്തിനുമുമ്പു് ക, ൩ ൦ ൦ക. വിലയുണ്ടായിരുന്ന ഭൂമിക്ക് ഇപ്പോൾ ൫ ൦ ൩ ൦ക. വിലയുണ്ട്. യുദ്ധാനന്തരം ആ ഭൂമിക്ക് ൫ ൦ ൦ക.യെ വില കാണുകയുള്ളു. ഇങ്ങിനെ പല വിധത്തിലുള്ള വിഷമസ്ഥിതികൾ യുദ്ധാനന്തരം നാട്ടിൽ ഉണ്ടാകുന്നതാണ്. കുറി ഇപ്പോൾ വെച്ചാൽ കുറി പണത്തിന്റെ ൭൫ ശതമാനം കൈക്കാരൻ ഗവൺമെണ്ടിൽ അടക്കണമെന്നാണ് ഈ ബില്ലിൽ പറഞ്ഞിട്ടുള്ളതു്. അഴിമതികൾ മേലിൽ ഉണ്ടാകാതിരിക്കണമെങ്കിൽ ഈ പണം ഗവൺമെണ്ടിൽ നിക്ഷേപിക്കണം.

Mr. Joseph Pettah *(Adur)*: You are mistaken.
Mr. K. S. Panickr *(Ezhuvas-Mukundapuram)*: I am not mistaken.
Mr. President: Order, order. The Hon'ble Member will kindly address the Chair.

മിസ്റ്റർ കെ. എസ്സ്. പണിക്കർ: വയമ്പിൽ പണം നിക്ഷേപിക്കണമെന്നു് പറഞ്ഞിട്ടുള്ളതു് കുറിക്കാർ ജനങ്ങളെ ചൂഷണം ചെയ്യാതിരിക്കുന്നതിനുവേണ്ടിയാണ്. നറുക്കിന്റെ ൭൫ ശതമാനം ഗവൺമെണ്ടു് നിശ്ചയിക്കുന്ന ബാങ്കിൽ നിക്ഷേപിക്കണമെന്നു് പറഞ്ഞിട്ടുള്ളതു കുറി കിട്ടുന്ന ആളുകൾക്ക് ബാങ്കുകാർ പണം ശരിക്കു് കൊടുക്കാത്തതുകൊണ്ടാണ്. കുറി കിട്ടിയാൽ ഈടു പോരായെന്നു പറഞ്ഞു് പണം കൊടുക്കുകയില്ല. ക ൦ ൦ ൦ ക.ക്ക് ക ൦, ൦ ൦ ൦ ക. യുടെ ഈടു കൊടുക്കാമെന്നു് പറഞ്ഞാലും ഈടു പോരായെന്നു് പറഞ്ഞു പണം കൊടുക്കുകയില്ല. ഇങ്ങിനെ ജനങ്ങളെ കുറിക്കാർ കഷ്ടപ്പെടുത്തുകയാണ് ചെയ്യുന്നതു്. ഈ പണത്തിന്നു് മൃഗാദപലിശ കൊടുക്കണമെന്നു് വ്യവസ്ഥയുണ്ട്. പഴയകാലത്തു് ചിറവൂർ താലൂക്കിൽ ൫ ൬ ശതമാനം മൃഗാദ പലിശയായി കണക്കാക്കിയിരുന്നു. ഇപ്പോഴും ക ൬ ശതമാനം മൃഗാദപലിശയായി വാങ്ങിക്കുന്നുണ്ട്. ഇതിനുപുറമെ കമ്മീഷൻവകയായിട്ടും മറ്റും ബാങ്കുകാർ കൂടുതൽ പലിശ ജനങ്ങളോടു വാങ്ങിക്കുന്നുണ്ടെങ്കിലും ഈടു കൊടുത്തു പണം വാങ്ങാത്ത കുറിക്കാർക്ക് വളരെ നിസ്സാരമായ പലിശയെ കൊടുക്കാവുള്ളു.

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ഇങ്ങിനെ പലവിധത്തിലുമുള്ള പലഅഴിമതികളും ബാങ്കുകാർ ചെയ്യുന്നുണ്ട്. കുറി കിട്ടിയി ട്ട് ഈടുകൊടുത്തു പണം വാങ്ങാത്ത ആളുകൾ ധാരാളമുണ്ട്. ബാങ്കുകളിൽ പണം നിക്ഷേപി ക്കുന്നതു് ഏറ്റവും സുരക്ഷിതമായ ഒരു മാർഗ്ഗമാണെന്നു് ബഹുമാനപ്പെട്ട അഡ്വർ മെമ്പർ ഇ വിടെ പറയുകയുണ്ടായി. വളരെ പ്രശസ്തമായ രീതിയിൽ നടത്തിവന്നിരുന്ന ട്രാവൻകൂർ നാഷനൽ & കയലോൺ ബാങ്കു് പൊളിഞ്ഞ സ്ഥിതിക്കു് ഈ ചെറിയ ബാങ്കുകളിൽ പ ണം നിക്ഷേപിക്കുന്നതു് വലിയ അപകടമാണു്.

Mr. President: How much long does the Hon'ble Member wish to continue?

Mr. K. S. Panicker *(Ezhuvas-IMukundapuram)*: I may take 5 minutes.

Mr. President The Hon'ble Member will be exceeding his time if he takes 5minutes. He will please try to conclude in 2 minutes.

മിസ്റ്റർ കെ. എസ്സു് പണിക്കർ: മദ്രാസിൽ നടത്തിയിരുന്ന Arbushnote കമ്പനി പൊളിഞ്ഞുപോയി. ഈ ബാങ്കുകളെല്ലാം നല്ലനിലയിൽ നടക്കുന്നുവെന്നു് നാം വിശ്വസി ക്കും. കുറെകഴിയുമ്പോൾ ഇതുപോലെ പാപ്പരായാകുമ്പോഴാണു് ആളുകൾക്കു് അബദ്ധം പറ്റുന്നതു്. ഇങ്ങിനെ ജനങ്ങളുടെ പണം പോകാതിരിക്കുന്നതിനുവേണ്ടിയാണു് അവരു ടെ പണം കുറെ ഗവൺമെണ്ടിന്റെ കയ്യിൽ വേണമെന്നു പറയുന്നതു്. അങ്ങിനെ ബാങ്കു കാർ ജനങ്ങളെ മുഷണം ചെയ്യാതിരിക്കണമെന്നുള്ള ഉദ്ദേശത്തോടുകൂടിയാണു് ഗവൺമെണ്ടു് ഈ ബിൽ കൊണ്ടുവന്നിരിക്കുന്നതു്. ആദ്യം ഗവൺമെണ്ടു് കൊണ്ടുവന്ന ബിൽ സിലക്ടു് കമ്മറ്റിക്കു് അയച്ചിട്ടുള്ള സ്ഥിതിക്കു് ഈ ബിൽ സിലക്ടുകമ്മിറ്റിക്കു് അയക്കേണ്ട ആവശ്യമി ല്ല. ഇനിയും ഇതു് സിലക്ടുകമ്മിറ്റിക്കു്വെച്ചു പണം നഷ്ടപ്പെടുത്തേണ്ട ആവശ്യമില്ല. പ ണം അധികമുണ്ടെങ്കിൽ നാഷനൽ സേവിങ്ങ്സു് സർട്ടിഫിക്കറ്റു് വാങ്ങിക്കുക. അതല്ലാ തെ ഈ ബിൽ സിലക്ടുകമ്മിറ്റിക്കു് അയക്കുവാൻ അനുവദിക്കുകയരുതു്. ഞാൻ ഈ ബി ല്ലിനെ ശക്തിയായി പിൻതാങ്ങിക്കൊള്ളുന്നു.

The Housn rose for lunch at 1-32 p.m. and reassembled at 2-30 p.m. with the Hon'ble President in the Chair

Mr. V. K. Bhaskara Menon *(Cranganur)*: Sir, I oppose this Bill in as much as Section 3 of the Bill has got some sort of retrospective effect upon Kuries started before 1120. My submission to the House is that as far as possible no Bill should be passed which should have retrospective effect which will unsettle legal relationship entered into before the coming into force of the particular enactmet. In this particular case from the objects and reasons it is found that in sentence 2 it is mentioned that "it is deemed necessary to provide that where the Kuri starter is a big company 75 per cent of the prize amount in respect of tickets owned by the starter should be invested in securities approved by Government". The tickets owned by a foreman will be both the Kinarakku as well as other tickets which he may be owning as an ordinary subscriber. In the case of a Kuri started in 1118 the Kinarakku amount will be collected in 1118 and 1119, that is before the Act comes into force and that amount will have been already invested and it will be exceedingly unfair for this Council to ask them to collect the money in a short space of t hree months and deposit the same in Government scurities.

Secondly, Sir, in the case of other tickets excluding the Kinarakku the amount that will be collected will be normally invested outside so that the interest therefrom can be utilised for paying future subscriptions. In the case of money deposited with the Government the rate of interest will be either something very nominal or nothing at all. Under the circumstances for these foremen who are owning these tickets it will be absolutely imposible to pay the future subscriptions unless the Government comes to their rescue as they have already done in the case of Government servants with a 10per cent War Allowance and pay the foremen atleast 20 per cent allowance for paying subscriptions. Otherwise when once the money is got you cannot actually pay it by driblets in future instalments. There is no meaning in joining any ticket, unless the Government is prepared to pay a rate of interest which will be sufficient to ensure that the future subscriptions can be met out of the interest it will work havoc as regards the economic position of practically most of the smaller companies. Therefore my submission to the House is that this is a matter which should be made clear as to whether this particular Bill will affect only Kuries which come into existence after the coming into force of this Act or which are started by Companies after the coming into force of this Act. If this Act affects those started before my submission is that it will be absolutely unfair to all the smaller companies and as such it is the duty of all the members of this House to vote against the Bill.

Mr. P. Kumaran Ezhuthassan *(Vadakkancheri)*: Sir, I believe that starters of kuries whether they be private individuals or firms have got a very useful place in the economic scheme

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of things in the country. I do not for a moment think with the Hon'ble Member who had his speech just before, that the kuri starters are a sort of nuisance who create trouble for the public at large. They have a place in the scheme of things. But at the same time, it is the duty of the authorities to see that persons who join tickets on the apparent solvency of those starters do not subsequently have occasion to run for their conduct in joining the kuries. The absolutely necessary thing to safeguard the interests of the various subscribers is to have a provision in the Kuri Act to the effect that if A or B wants to start a kuri, he must be solvent to such an extent that he will be able to satisfy the claims of all the subscribers, at proper times the last of whom will have to be paid at the last instalment which might be at times 15 or 20 years hence. So unless, whether it be an individual or a company, the foreman is able to give security, not cash—cash of course is not objectionable, but even other securities—sufficiently good, unless a foreman is able to give security for the sum-total of his liabilities up to the termination of his kuri, no one should be allowed to start a kuri is my opinion. In the existing Kuries Act, section 13 provides only for security to the extent of the kuri amount of two instalments. If the kuri capital is Rs. 1,000, the foreman is asked under section 13 to give security to the extent of only Rs. 2,000. If this capital is Rs. 1,000, if a prize winner is to get only Rs. 1,000 in the kuri, the liability cast upon the foreman under the existing Kuries Act under sectiion 13 is only to the extent of Rs. 2,000. If it is a kuri of Rs. 1,000 per ticket, and it is a kuri of 10 tickets, the foreman's total liability extend to Rs. 10,000. Security for Rs. 10,000 he must be prepared to furnish before he goes before the Registrar for Kuries to have his vaimpu registered. There should be a security for Rs. 10,000 and not for Rs. 2,000 mentioned in section 13. That is the extent to which the Government ought to go as far as the safeguarding the interests of the subscribers is concerned. Therefore, through this Bill, I think, Sir, the Government have taken one step forward, of course, persons who start kuries subsequent to the coming into force of this Act will certainly be bound by the provisions of the existing Kuries Act also. In addition to that to the extent of tickets owned by them they will have to put into approved banks 75 per cent of the amount—that is certainly an advance in the right direction; But my respectful submission, Sir, is that the advance has not been sufficiently big to safeguard the interests of the subscribers. Therefore, the Government having taken at least one short step forward to safeguard the interests of the subscribers, I have great pleasure te support this motion.

With regard to the first clause of the Bill that there must be a previous sanction obtained, in the speech introducing the Bill, I do not see any argument advanced why such a permission is to be had. Of course, there is nothing to be feared with regard to that section is concerned. The Government will not certainly be acting capriciously. They will have certain rules framed in this connection. But it will be useful to know before-hand what those conditions will be and if from the Treasury Benches information on that point can be had even just now, that will be useful for the consideration of the Bill in its proper perspective. With these observations, Sir, I support the Bill.

Mr. C. V. Iyyu *(Kunnamkulam)*: On a point of information, Sir, whether the Hon'ble Finance Member will be pleased to inform the House the purpose for which section 3, or certain sentence in section 3 is there, that is "Where the foreman of a kuri started on or after the 1st day of Chingam 1118 is a company incorporated in Cochin State or not, the working capital or paid-up capital of which is not less than three lakhs of rupees or twenty-five thousand rupees respectively, the foreman shall....." and so on. May I know whether there is any sacredness for this restriction of the paid-up capital and subscribed capital?

Mr. P.V. Raphael *(Comptroller of Finance & Accounts)*: In my introductory speech, I made a reference to it. The intention at present is not to put the restriction on the smaller companies, but only to see that the companies which have got sufficient fluid capital with them as would not be embarassed by this provision are at present brought within the purview of this Bill.

Mr. C. V. Iyyu *(Kunnamkulam)*: Are not bigger companies more stable than smaller companies?

Mr. P. Kumaran Ezhuthassan *(Vadakkacheri)*: They are seemingly so.

* **Mr. A. V. Moothedan** *(Chalakkudi)*: Sir, to a certain extent I oppose the Bill. The Hon'ble Member for Cranganur Non-Muslims was saying that he has got a doubt whether the Bill affects Kuries started previously. So far as I see this Bill affect Kuries started on or after the first day of Chingam 1118. Of course that is a provision which I object to. They did not forecast that such a Bill would be introduced and therefore such legislations should not be given retrospective operations. I think there is no ground for violating that principle. From

* Speech not corrected by the Hon'ble Member.

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the Statement of Objects and Reasons also it is not clear that such Kuries affected. It is stated that it is considered necessary as an anti-inflationary measure, to impose certain restrictions and conditions on the starting of new kuries. On a perusal of Section 3 of the Bill it is clear that it will be affecting the kuries started from first Chingam 1118. Already the parties have entered into a contract and it is not fair at this stage to unsettle the contract already entered into. The Hon'ble Member for Mukundapuram-Ezhuvas was giving out bitter complaints againt the Banks.

Mr. K. S. Panicker *(Ezhuvas-Mukundapuram)*. That is my experience.

Mr. A. V. Moothedan *(Chalakkudi)*: He was characterising them as swindlers and was using all sorts of epithets and I cannot translate all those into English. In every civlised society Banks are necessary for industry and trade to thrive. Especially our State it is a maritime State depends so much on trade and as such we have to depend so much on Banks. He was quoting the instance of the Travancore National Bank. So far as my knowledge goes no Bank registered in Cochin State has been liquidated. Even in the case of the Travancore National Bank when it was liquidated we got 12 or 14 annas in the rupee. There was, however, the instance of the Kerala Banking Corporation or so registered in Travancore, which was liquidated and people got six pies in the rupee. I know that personally. But the Banks registered in Cochin State are very conservative and very cautious. I must even say that they never sufficiently encourage the business men here. I think they should be more liberal. Taking the Travancore National Bank we know we got 14 annas in the rupee and about 2 or 3 lakhs are even now available. That is the position so faras Cochin State is concerned. Whatever that be Joint Stock Banks should be encouraged in the State and they should be given every facility for their working and they should be allowed to expand their operations and they should not be discouraged by unnecessary legislation. The Government should not be carried away by the remarks of the Hon'ble Member of Mukundapuram-Ezhuvas. He may have had some bitter experiences on account of his ignorance. Whatever it may be that idea may be discarded and the Banks working in a very conservative manner and doing service for the people of the State should not be put to difficulties.

Mr. C. V. Iyyu *(Kunnamkulam)*: Sir, I support this measure, but I think that the Government has not acted sufficiently strong enough to stop starting of new Kuries and the loophole in section 3 sometimes will allow elephants to get into.

Mr. V. K. Bhaskara Menon *(Cranganur)*: Lik the Food Adulteration Act.

Mr. C. V. Iyyu *(Kunnamkulam)*: Yes.The fact is that between 3 lakhs of rupees and Rs. 25,000 there might be Banks and concernes which might bring influence to bear upon the Government. I even doubt that. So section 3 itself must be deleted; atleast the earliest portion. I would even appeal to the Government that this Act must be reduced to one or two sections and a certain period fixed, say a period of 5 years within which no Kuri should be started in Cochin and no body any Bank or Company outside Cochin, allowed to get subscribers from Cochin State to any Kuri. Otherwise this Act will become a dead letter for all practical purposes and the persons who are in very fortunate circumstances and institutions which are in very fortunate positions will get permission from the Government to start Kuries, while the unfortunate beings will never get opportunities. The Finance Member said that the Government do not want to harass small concerns. When the Kuri Act was passed in Travancore—Travancore was practically the pioneer in the field years before, when the then Maharaja in a proclamation declared that any Kuri started for an amount above Rs. 100 or for Rs. 100 will have to be registered, there were several Travancoreans who started Kuries for Rs. 99.

Mr. P. V. Raphael *(Comptroller of Finance Accounts)*: There are such cases here also.

Mr. C. V. Iyyu *(Kunnamkulam)*: So they escaped the law. Such things will happen here also. Companies will be floated with lesser capital and Kuries will be started. Then again the Government will have to come up with another Bill to prohibit such things. One man himself will be Managing Director or so in many Companies or his wife will be the Managing Director in some of the concerns. Such things will happen and I think the Government is short-sighted. The purpose for which this Bill is moved is of course laudable. I am not a sound economist like the Hon'ble Member for Adur. Like the Hon'ble Member for Mukundapuram Ezhuvas by misfortune or fortune I have had sufficient opportunity to learn practical economy especially of a large section of the unfortunate subjects of His Highness the Maharaja. History will of course repeat itself. We had the experience of the year 1107 and even after our coming into the Council we had the Debt Relief Acts and several other Acts. So it is better that the Government step further and prohibt starting of Kuries for a fixed period, say 5 or 10 years, and then extend the period if necessary.

LIBRARY ARCHIVES Kerala Legislative Assembly

Mr. A. V. Moothedan *(Chalakkudi):* Why should people join the Kuri?

Mr. C. V. Iyyu *(Kunnamkulam):* Because religous heads induce them to do so. All the religions except perhaps Hinduism prohibit usury. Judaism, Christianity and Islam have condemned usury. Why should Christian Institutions start usury? The Roman Catholic priests who conduct Mass in the Church are found to be encouraging usury. I do not find fault with a Hindu Devaswam if it starts a Kuri. But Churches should not start kuries. Even the Evangelical Churches like the Marthoma Church have started kuries. I have heard Jacobite priests taking the oath of allegiance when they are ordained that they will not start usuries but that solemn oath is being disobeyed. Muslims have started Banks in the State. So all the good teachings of of those great religious teachers have been ignored in this world especially in a State atleast. That is why people take to Kuries.

Mr. A. V. Moothedan *(Chalakkudi):* Christ never said that you should start kuries.

Mr. C. V. Iyyu *(Kunnamkulam):* If Christ did not say that his followers are doing so.

Mr. President: Order, order. The Hon'ble Member would do well to get away from theological discussions.

Mr. C. V. Iyyu *(Kunnamkulam):* The world is such. Whatever may be the religion we could join Kuries and we start kuries. So the Government should have check over the people. I support the Bill but at the same time request the Government.....

Mr. V. K. Bhaskara Menon *(Crangannur):* That all the sections may be deleted.

Mr. K. Narayana Menon *(Mulakunnathukavu):* Sir, I rise to support this Bill which I think is absolutely called for in the present day circumstances of the economic life of the State. No doubt as pointed out by the Hon'ble Member for Cranganur to have a legislation with retrospective effect is not ordinarily within the realm of jurisprudence and it may work hardships on contractual liabilities and thereby cause havoc. But we have to remember that these are abnormal times and what are quite normal in normal times is not the guide for the abnormal times in which we are living. A thing which may appear to be absolutely abnormal may become normal in these days. We have to remem ber that by the date fixed in section 3 that is first Chingam 1118 the date on which the Act is intended to take effect, inflation has begun by the flow of money into the State and chit funds of very multitudinous type with capital by thousands and thousands of rupees have been started. If that retrospective clause is taken off practically this piece of legislation for future operation will be of no use at all. It is therefore, to justify that if this law is to be worked as a useful piece of legislation and not become a dead letter the retrospective operational clause should find a placc there. The arguments advanced against the liability to deposit these amounts in Government securities are on the very face of it untenable and cannot be supported on an appreciation of the facts. As was pointed ont by the Hon'ble Members before me it is a plain thing that with the inflation or all sorts of deposits and contributions will come in. We do not know when the time is going to change and when the wind is going to blow the other way. The results will be most disastrous not only in this place; but as history has shown even in bigger countries where economics have developed as ascience the practical operation of this phenomena is bound to end in the working out of some disaster. It is for the State to guard against such disasters. I do not think there is any necessity for a two-section Bill to go to a Select Committee also. I wholeheartedly support the Bill.

* മിസ്റ്റർ പി. നാരായണമേനോൻ: സർ, കറി നിയന്ത്രണ ബിൽ ആവശ്യമാണെന്നു് വിശ്വസിക്കുന്ന ഒരാളാണു് ഞാൻ എന്നുണ്ടെങ്കിലും, ഈ ബില്ലിനെ ഇതേനിലക്കു് അനുകൂലിക്കുന്നതു് ഉചിതമായിരിക്കുമെന്നു് എനിക്കു് തോന്നുന്നില്ല. ഒന്നാമതായി ഇതിന്റെ ഉദ്ദേശങ്ങളും, ആവശ്യങ്ങളും ഇന്നതാണെന്നു് കാണിച്ചിരിക്കുന്ന ആ ഭാഗത്തു് "It is considered necessary as an anti-inflationary measure to impose certain restrictions and conditions on the starting of new Kuries" എന്നാണു് പറഞ്ഞിട്ടുള്ളതു്. "new Kuries" എന്നു പറഞ്ഞാൽ അതിന്റെ പച്ചമലയാളം പുതിയ കറിയാണെന്നാണു് ഞാൻ ധരിച്ചിരിക്കുന്നതു്. ഈ ബിൽ ഫ ഫ ഫവ മുതൽ ആരംഭിച്ചിട്ടുള്ള കറികൾക്കും ബാധകമായിട്ടാണു് നാം വകുപ്പുകൊണ്ടു് കാണുന്നതു്. പുതിയ കറികളെമാത്രം ബാധിക്കുന്ന ബില്ലാണു് എന്നു പറഞ്ഞു് പഴയ കറികൾക്കും ബാധകമായ ഒരു വകുപ്പു് ചേർക്കുന്നതു നിശ്ചയമായിട്ടും ന്യായമായിരിക്കുമെന്നു് ഞാൻ വിചാരിക്കുന്നില്ല. ഇതിനും പുറമെ anti-inflationary measure എന്നു പറഞ്ഞിട്ടുള്ളതിന്റെ അർത്ഥംതന്നെ വ്യക്തമാകുന്നില്ല. inflation എന്നു സാധാരണ ഉപയോഗിച്ചുവരുന്നുണ്ടെങ്കിലും അതിന്റെ അർത്ഥത്തിനു ഏതു രത്തോളം വ്യാപ്തിയുണ്ടെന്നു ഇനിയും തീരുമാനമായി കഴിഞ്ഞിട്ടുണ്ടെന്നു തോന്നുന്നില്ല. അതു

*Speech not corrected by the Hon'ble Member

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വ്യക്തമായാൽതന്നെയും ഈ ബിൽ inflation ന് പ്രതികൂലമായിട്ട വരുമൊയെന്നും സംശയമാണ്. അതിനും പുറമെ "It is also deemed necessary to provide that where the kuri starter is a big company 75 per cent of the prize amount in respect of tickets owned by the starter should be invested in securities approved by Government" എന്ന് പറഞ്ഞിട്ടുണ്ട്. കുറി തുടങ്ങിക്കുന്ന വലിയ കമ്പനികൾക്കുമാത്രമെ ഇതു ബാധകമാകുന്നുള്ളൂ. ചെറിയ കമ്പനിക്കാരും, വ്യക്തികളും കുറി തുടങ്ങിക്കുകയും, ഇതുപോലെയുള്ള കണ്ടുപ്പാടുകളും, ബുദ്ധിമുട്ടുകളും കുറിയിൽ ചേരുന്ന ആളുകൾക്ക് ഉണ്ടാവുകയാണെങ്കിൽ അവരെ രക്ഷിക്കുവാനുള്ള മാർഗ്ഗം ഒന്നുംതന്നെ ഈ ബില്ലിൽ കാണുന്നില്ല. അതുകൊണ്ട് ഈ ബിൽ ഉദ്ദേശത്തിനുപറ്റിയതല്ല, അപകടപ്പുണ്ടുമാണെന്നാണ് ഞാൻ വിശ്വസിക്കുന്നത്. എന്നാൽ ഒരു ബിൽ ആവശ്യമുമാണ്. ഈ നിലക്ക് ഈ ബിൽ സ്വീകരിക്കുന്നതിനുമുമ്പ് ഇതിൽ വേണ്ടതായ ഭേദഗതികളും വരുത്തുവാൻവേണ്ടി ഒരു സിലക്ട്കമ്മിറ്റി രൂപീകരിച്ചു അതിന്റെ അഭിപ്രായത്തിനു വിട്ടുകൊടുക്കുന്നതായിരിക്കും നല്ലതെന്ന് ഞാൻ വിശ്വസിക്കുന്നു.

Mr. K. T. Achuthan *(Talappalli-Ezhuvas):* Sir, I support the motion. I was wondering why the Hon'ble Member for Adur was taking up an attitude of opposition to the Bill. I may at the outset say that this Bill will not create any havoc to any properly working Bank or Company in the State. Secondly if a Bank or a Company is working properly it would not be difficult to create confidence in the minds of the Government and the Public and to me there seems to be that in such cases Government will have no objection in granting permission to such institutions to conduct Kuries. The Government must consider not only the interest of the particular Bank or Company but also the interest of the people and the economic stability of the country as a whole. As far as I know about the Kuries in the State I can say that 90 per cent of the agricultural population have gone to complete ruin on account of the Kuries. That is my experience. If the Government keeps quiet when we see hundreds of kuries started everywhere—If you go one mile you will see 10 companies or banks conducting kuries—the people will suffer. So the Government has done a correct thing in having brought a bill with provisions to accord sanction for starting kuries. When the Government understand that the institutions are properly working and are ecnomically sound permission will be given to those who apply.

The Hon'ble Member of Cranganur was saying that even fairly rich companies would find it difficult to pay the instalments if they invest the money in approved securities. Every one of us is aware that there are large deposits in all the Banks and even in poor banks there are a good number of deposits. So there will be no difficulty for the Banks of this category to deposit the amount. I think it is a very important provision. Otherwise after a few years you will see in this House cries of ryots in every part of the State.

* **Mr. A. B. Salem** *(Mattancheri)* Sir, I rise to support the Bill brought by the Government. A fuller Bill was brought in 1939 discussed in this House and was supported but I do not know why that Bill has not come into force yet. Any way this is only with a minor force and I cannot understand the opposition to the Bill and to ask it to be referred to a Select Committee is also not fair because these provisions have been discussed in this House, agreed to in the Select Committee and even passed by this House. Under the circumstances I think the Government has done well to bring an Act like this atleast for the control of funds that the Public may invest in Kuries. With these few words I support this Bill.

* മിസ്റ്റർ സി. എൻ. ഇട്ടിരവിന്നമൂതിരി: സർ, എനിക്ക് അപൂർണ്ണമായ ഈ ബില്ലിനോട് യോജിക്കുവാൻ നിവൃത്തിയില്ല. കുറി നടത്തുന്ന ആളുകൾക്ക് മുൻകൂട്ടി ഗവണ്മെന്റ് അനുവാദം വാങ്ങാതെ കുറി തുടങ്ങുവാൻ പാടില്ല. അതുപോലെ കുറിയിൽ ചേരുവാൻ വിചാരിക്കുന്ന ആളുകൾക്കും ഗവണ്മെന്റിൽനിന്നും നേരത്തെ അനുവാദം വാങ്ങണമെന്നുവെച്ചാൽ ഇന്നുള്ള സകല ബുദ്ധിമുട്ടുകളും കൂടാതെകഴിക്കാം. ഇതിനുംപുറമെ അപേക്ഷയിന്മേൽ വ ണ. യുടെ സ്റ്റാമ്പ് ഒട്ടിക്കേണമെന്നും തീരുമാനിച്ചാൽ അതിലും കുറെ ആദായം ഗവണ്മെന്റിനുണ്ടാകും. ഈ ബിൽകൊണ്ടു മുക്കാൽഭാഗം സംഖ്യയെ അടക്കണമെന്നു വരുന്നുള്ളൂ. അപ്പോഴും കാൽഭാഗം സംഖ്യ പുറത്തുണ്ട്. അതുകൊണ്ടു ഇത്രിനെ അപൂർണ്ണമായ ഒരു ബില്ലിനെ സപ്പോർട്ടുചെയ്യുവാൻ ഞാൻ വിചാരിക്കുന്നില്ല. അതുകൊണ്ടു ഈ സിലക്ട്കമ്മിറ്റിക്ക് അയച്ചു വേണ്ടതായ ഭേദഗതികളും വരുത്തുവാൻ ഗവണ്മെന്റു തയ്യാറാണെങ്കിൽ ഇതിനെ ഞാൻ സപ്പോർട്ടുചെയ്യുവാൻ കൊള്ളാമാണ്.

*Speech not corrected by the Hon'ble Member

LIBRARY ARCHIVES Kerala Legislative Assembly

Mr. L. M. Pylee *(Latin-Christians Ernakulam):* Sir, I rise to support the Bill that is before the House. I am one who holds the view that all legitimate freedom should be given to private enterprise, but at the same time in a matter where the interests of many poor people might be at stake. I should think that a certain degree of control on the part of the Government is absolutely necessary. I for one, Sir, regret that the Kuri Bill that was passed by this House some time ago did not become law. And at last this measure now to control the interests of public welfare safe-guarding the poorer sections of the people from being swindled by enterprising people, is brought forward, and I think that it is a wholesome measure. In my humble view it does not even go far enough. Rather a rosy picture has been painted here by the Hon'ble Member Mr. Joseph Petta. With due deference to his authority in matters concerning economics, I must point out that there is also a very dark side to the picture in this matter. Practically every member of this House knows that in the past how many families have been brought into ruin, how many rich people have been made into almost absolute paupers by joining in a hurry, or even joining after mature consideration, the various kuries that have been started in many places. It is a rather sad picture, a sad fact, and this being so I think that there is much substance in the arguments put forward by my Hon'ble Friend Mr. K. S. Panicker.

Well, Sir, the Malayalam renderings of some of the expressions associated with the starting and running of kuries are significant. The starter of the kuri in Malayalam is called a "thalayalan". Some of my friends had interpreted to me the word "thalayalan" as meaning "headman". He is really a man with a head those who subscribe to the kuri are in Malayalam called "chittalar". Again some friends have interpreted the term as meaning "chuttialan". When the man at the head once gets these "chuttialans" into his clutches, then they are made to "chuttify" *(laughter):* They are in a trap, they are in the net, and there they are made to go round and round. Sir, it is the experience of many Kuries properly managed, properly run, by conscientious people are a great blessing, no doubt *(Hear hear)*. But more often, it is run by persons who try to turn the institution to their own advantage. How many instances have not the Members of this House come across the sad position of a man who with high hopes join a chit fund or kuri of this kind, probably he had a daughter to marry and by joining a Kuri he makes a provision for dowry for his daughter or he has joined it thinking that it is a nice item of saving. But when that happy day comes off having drawn the kuri or having bid it at the usual auction, then unfortunately, Sir, begins a series of trials for him. He has to hang after the authorities of the kuri and the problem of furnishing security becomes a very keen one. Many of those who are called the "kaikars", that is those who run the kuri, they are too often not satisfied with reasonable security. And this is very very hard task for a poor man to be hanging after them and to satisfy them on the point of security. Nothing is valuable enough in their eyes, no property is valuable enough in their eyes, and the poor man very often has to please these "kaikars" in order to get their approval for the security sometimes by dubious means.

Sir, my hon'ble friend Mr. Joseph Petta has quoted Dr. John Mathai, the eminent economist, who said that these kuries are quasi-co-operative societies or co-operative organisations. I quite agree to it. But as one of the authors, that eminent man, Dr. John Mathai as one of the authors of the now-famous Bombay Plan, advocates in that plan strict rigorous Government control over future industrial enterprises, and I should think that even he would not demur from the proposition that a certain amount of control as now contemplated by the Bill should be exercised by the Government in the matter of Kuries. As I mentioned, kuri is a beneficial institution, but it must be run properly. It must be run properly in the spirit of a trust. I do not deny the fact there are kuries of that type, but I cannot ignore the fact there are very many kuries that are of the opposite type. And so besides the rosy picture painted by Professor Joseph Petta—there is also another side of the picture. Unfortunately, he has not presented that. Somehow or other, Sir, there is a revulsion, especially after the last war, against the manner in which kuries have been run in the past and people have felt that Government should control such enterprises. The Bill is not for abolishing kuries. Certainly not. The Bill is only for safeguarding the interest of the poor people, by this restriction; that is all. It does not mean that kuries are to be banned. It does not impose unduly harsh conditions on the starters of kuries. It is only for safeguarding the interests of the poor people, and I do not see why we should oppose a salutory measure like this. Especially now, the need is great. People have got plenty of money in their hands. Though not everybody, as Mr. Petta said, many people have got plenty of money and when kuries are started, people will naturally rush forward to subscribe, agents will go about painting in lurid colours the advantages of joining kuries. That will happen, but what will happen after the war? When

LIBRARY ARCHIVES Kerala Legislative Assembly

the bubble bursts and when we find people are in hard circumstances, those who joined the kuri will not be able to complete their subscriptions for the whole period and to them calamities will occur, greater calamitties than these kuries have had in the past.

One point I wish to bring to the notice of this House in respect of this is that there is a difference between insurance and these kuries. There is a mistaken notion that kuries are like insurance and instead of joining an insurance one can join kuries. But many have learned from bitter experience that if a default is made in the kuri, very often there is no salvation for him, whereas if a default is made in an insurance, the authorities of the insurance, advance loans in order to continue the policy, at least to some extent and for some time.

Well, Sir, these are points for consideration and I think there is no harm in supporting a measure of the kind that is brought forward by the Government.

Mr. M. Sivarama Menon*(Adocate-General)*: Sir, The fact that this Bill has received a large measure of support at the hands of this House is by itself a sufficient justification for the inrtroduction of this measure by Government. And my only purpose in rising upon this occasion is to answer some of the points raised in the course of the argument in their order of importance as it appears to me.

The one *prima facie* weighty argument advanced by the Hon'ble Member for Cranganur against the acceptance of this Bill is the fact that section 3 seeks to give a retrospective operation for the provisions of this Bill. I apprehend that it is based on a real misconception. I do not for a moment pretend to say that there is absolutely no retrospective operation to clause 3. I can compare that little retrospective operation which is not substantial to the case of a person being born, say in the year 1118 and a penal law being passed 10 years after and that man saying that because he was born in 1118, you should not pass the penal law till he died. I make that comparison because a kuri is a peculiar transaction.

Mr. V. K. Bhaskara Menon *(Cranganur)*: Is it a penal transaction?

Mr. M. Sivarama Menon *(Advocate-General)*: It is a penal transaction, and it is a bundle of transactions rolled into a transaction, because, just as a man is born and man is mortal, a kuri is born and a kuri is also mortal; the man does not know when he would die, but from the vaimpu you would know when the kuri would die. With regard to the kuries started in 1118, he said that section 3 is defective. But I must point out that it is not with regard to the kainarak amount which has actually been drawn or which has accrued to the foreman that the provision is made. It is only regard the amounts which would accrue to him on account of the kainarak in a kuri started in 1118, that are sought to be covered by the provisions of the Bill. Because the wording has been very cautions. We have taken absolute care to see that as far as possible the retrospective operation of a legislation is curtailed. The Hon'ble Members will find on a close perusual of section 3 that we have been very careful in its wording. I shall read out the relevant portion. "Where the foreman of a kuri started on or after the first day of Chingam 1118 is a company incorporated in Cochin State or not, the foreman shall subject to such conditions and restrictions as Government may, by notification in the Gazette, impose invest in such securities as may be specified by Government by like notification 75 per cent of the prized amount in respect of the kainarak and other extra tickets, if any, subscribed for by him which accrue due after the commencement of this Act". As I said before, because a kuri is rolled into one transaction with a bundle of transactions, even though a kuri is started in 1118, there are several instalments for the kuri to run out and as between a subscriber and the foreman, each ticket is a separate transaction by itself. So far as the foreman is concerned, it will be his common and undivided responsibility for the proper conduct of the kuri. His liability though it may be several to the subscriber, so far as he is concerned, the whole burden is on himself. But what is the nature of the transaction between the subscriber and the foreman when he takes the kainarak. The kainarak amount is due on a particular date. If other naraks also have been subscribed by him, those amounts also accrue due only on specified particular dates and section 3 says that with regard to those instalments which accrue due after the commencement of the Act, you should invest them in the securities approved by the Government. I humbly ask, where is the retrospective operation in the section? If the Government had said that all the kainarak amounts and other prize amounts drawn by the foreman prior to the commencement of the Act should again be brought up to be deposited according to the provisions of the Act, then we can understand it as a preposterous proposition to be brought to a legislature to be swallowed, unless there are ample needs for such a course to be adopted. But there is no such thing. This is the only way in which we could fix the date about the starting of a kuri. Therefore in order that the provision in section 3 may be applicable to kuries started before the commencement of the Act, we said there "kuries started on or after the 1st day of Chingam 1118". That implies kuries which were

LIBRARY ARCHIVES Kerala Legislative Assembly

brought into operation after a particular date. At the same time we took care to say that those amounts accruing due only are to be attracted by the provisions of this Bill. Therefore my humble submission to the House is that there is no retrospective operation in the manner suggested by my Hon'ble Friends, the Member for Cranganur and Chalakkudi, though I cannot but say that the kuries started in 1118, it may formally state that there is retrospective operation. I would, therefore, submit that there is nothing abnormal in giving retrospective effect to section 3.

The second point in the order of importance is the one which bases the argument upon one sentence alone of the Objections and Reasons. The Hon'ble Member for Kanayannur as also another Hon'ble Member referred to the fact that the Objects and Reasons give only reference to new kuries, but I should invite your kind attention to the second sentence also. It says: "It is also deemed necessary to provide that where the kuri starter is a big company 75 per cent of the prize amount in respect of tickets owned by the starter should be invested in securities approved by Government". Therefore, there are two ideas contained in the Objects and Reasons. One is to impose certain restrictions on new kuries. That is if yon want to start a new kuri after the commencement of the Act, you should get Government sanction. That sentence refers tothat. The second is not exclusive of the other, because it is also deemed necessary. ".... 75 per cent of the prize amount should be invested....." That is with regard to the new kuries as well as kuries started on or after 1st Chingam 1118. So that is covered by the second sentence. So there is no doubt about the wording. In any case if it creates any doubt in the minds of the Hon'ble Members, then I only state that it was not the remotest intention of the framers of the Objects and Reasons to have any such intention in their minds.

Then, the third point raised by one of the Hon'ble Members was this: Why is it that there should be a previous sanction before a new kuri is started. I ask, why under the Defence of India Rules, the control of capital issues is subject to the previous approval of the Government? I say, this is an emergency measure. Now, we have not taken up any amendment of the existing Kuries Act, because we must stand or fall on the benefits to the subscribers. Of the arguments advanced, we say that it would have been reasonable, if we had deemed it necessary to introduce any amendment to the existing Kuries Act. This is an emergency measure brought about by high inflation. Therefore, this piece of legislation is sought to be supported mainly on that ground. Why is it that previous sanction is necessary? Government must consider for themselves before a new Kuri is allowed to be started as to whether it is a bona fide attempt for the purpose of running a Kuri as a business transaction or for any other purpose. We will also be in a position to know as a matter of fact by previous investigations, whether it will be conducted properly, whether the applicant could satisfy the conditions imposed by Government, before sanction is accorded. These are all the several ways of controlling the starting of new Kuries. It may not be possible for me to give off-hand the whole method, or all the conditions that may be imposed by the Government, because it is a matter for the experts employed by the Government for the purpose to determine and then make a report to the Government and for the Government to pass final orders. It is a safeguard in the nature of a control for the purpose of regulating the starting of future Kuries.

Another point raised was that a Kuri has been described by Dr. John Mathai as a quasi-co-operative effort. But I did not find the Hon'ble Member for Adur carrying that argument to its logical end and then relating it to the provisions contained in this Bill. I do concede that a Kuri is a quasi-co-operative concern and there may be co-operative concerns which may end in disaster as well as result in the prosperity of those who partake in the common concern. So far as the Kuries in the common knowledge are concerned, that quasi-co-operative coneern has resulted in the ruin of several individuals. There might have been Kuries which have benefitted people, but there is no attempt anywhere to stifle any quasi-co-operative effort. The Governmens only intend to regulate and control the starting of new Kuries and impose certain conditiont about the investment. Therefore, I do not think that the argument founded upon the fact that a Kuri has been stated by an eminent man to be a quasi-co-operative concern is in any way an argument against the acceptance of the provisions of this Bill.

Then, it was further argued, why is it that 75 per cent of these naraks which accrue due after the commencement of the Act should be deposited in investments approved by Government. Is it not too large an amount? Will not the foremen find it difficult to raise the amount required to pay the prize-winners if the other subscribers default payment? The Government that have got ample powers to impose such restrictions and conditions as appear to be just and they will have to publish them in the Gazette by way of a notification. Now I shall point out only

LIBRARY ARCHIVES Kerala Legislative Assembly

one instance. Suppose a kuri foreman wants to pay his subscriber. The other subscribers have not paid the money due from them. The money has been deposited in the investments as directed by the Government. It will be up to the Government in such cases to release a certain portion of the fund and to allow it to be dealt with in the manner as seems best under the circumstances. The necessary amount for paying the subscriber will be made available to him if he is in real need of it. If the case is that the Government cannot be expected to lay down all the proper conditions, I may say that it would be better to ask for the publication of the terms and conditions that are being laid down and to call for objections upon that. In fact, Government also wish to adopt a somewhat similar method. I do not think there is any necessity for characterising the revision contained in section 3 as causing much hardship; because the Government have retained to themselves the power to impose certain conditions. Those conditions may be necessary, because occasions may arise when a portion of the security may have to be released to the foreman in order to enable him to pay up the subscriber. All these facts will be kept in view and the Government will impose such conditions as will conduce to the proper working of the kuri and the proper safeguarding of the interests of the subscribers.

One main argument with which the Bill was opposed is, how was this an anti-inflationary measure? With the little economics that I learned in the B. A. class, I would say that it is....

Mr. V. K. Bhaskara Menon *(Cranganur):* When was it, please?

Mr. M. Sivarama Menon *(Advocate-General):* It was in the year 1916 or so, and I don't think the science has advanced so far as to make those principles unsound now. What is inflation? The money that is flowing into the country is now really drawn into the kuries by certain foremen by holding out certain attractive terms. Therefore, there is centralisation so far as these companies and other institutions are concerned. Then, what is the purpose? The purpose is to reinvest this money at a higher rate af interest and will be utilised to make gains by enterprising people. I say the purpose of this Bill is to draw this money from those centralised agencies and make it impossible for them to let loose all that money into the country by blocking it up in certain securities, which will be prescribed by the Government. If that is not anti-inflationary, I fail to see what else is anti-inflationary. The very basis of the idea of inflation is that money is at large, which really has to be bottled up so that it may not be used for the day to day transactions and in due course tend to the deterioration of the value of money in the country. Therefore, with my little knowledge of what is meant by inflation, I would say that this measure is intended to draw out from the centralised agencies all the sources of inflationary money and to see that they are blocked up. In consequence of prohibiting inflation, it will be incidentally protecting the interests of the subscribers.

There has been another expression of opinion in this House that the Government have not really gone as far as it ought to have. I fully realise that there is such an opinion in the country with regard to kuries as was quite evident from the fate of the other Bill passed by this House. But I would only say that we propose to regard this as an anti-inflationary measure. At any rate their argument founds upon facts and figures will certainly be borne in mind by me at any rate. With these few observations I submit that there is no proper ground for the rejection of the Bill on account of the opposition raised by Mr. Petta nor on account of the other arguments raised against the acceptance of the Bill. I would humbly request the House to vote for the consideration of the Bill.

Mr.P.V.Raphael *(Comptroller of Finance and Accounts):* The Bill has been very thoroughly discussed and all its aspects have been adverted to and my Colleague the Advocate-General has already answered all the objections that have been raised on this. I have just only one or two points to add.

The first point raised by the Hon'ble Member Mr. Petta is how is this an anti-inflationary measure. It is a very pertinent question, Sir. I submitted to this House that in 1118, 36 kuries have been started by these company foremen of the category whom we are going to restrict by this and in 1119 sixty such kuries have been started and they own as a right by provisions in the Vaimpu, 421 tickets of a total capital of Rs. 12,44,000. Now the intention is 75 per cent of this amount is to be bottled up. That is to say, about 9 lakhs of rupees is to be withdrawn from free circulation and got invested in securities approved by the Government. This amount will be detached so to say from circulation and that is what is called anti-inflation.

Another point raised in the course of the discussion was that the Bill may be referred to a Select Committee. My submission to the House is that there is no need at all for referring this Bill to a Select Committee. In the year 1939 a very powerful Select Committee of this House had been appointed to consider and report upon a report submitted by another expert Committee on

LIBRARY ARCHIVES Kerala Legislative Assembly

Kuries. Some of the members of this committee are still in this Hon'ble House and they submitted a very elaborate and exhaustive report touching all points connectd with kuries. All these points have been touched by that Committee and there is nothing new to consider and report upon now. Therefore, I submit there is no need for a Select Committee to consider this Bill containing two or three clauses.

The anxiety of the Government is to see that both the subscribers as well as the kuri foremen are protected. We have got the sorry experience of the last post-war period, kuries were started in the land in large number during and immediately after the last war and after the war was over there was a crash in the country. Kuri foremen were not able to satisfy their obligations towards their subcribers and prized and non-prized subscribers were not able to discharge their obligations towards the foremen. There was a very great agricultural depression in the land. The prices of agricultural products all fell down to a very abnormal degree and the kuries came to a stand-still so to say. There were persistent cries to the Government to give relief and foremen and more particularly subscribers came and pestered the Government for relief in that direction and the Government had to appoint a committee called the Antony Committee in 1931 to go into the question of relief to the subscribers and foremen. The committees recommendations were accepted by the Government for a period of one year to begin with and those recommendations had again to be extended year after year for three years more. It is to avoid situations of this kind that the Government insist that prior sanction should be obtained before starting kuries. They want to see that only solvent people, people who command respect and position in their villages that are allowed to start kuries. You can be sure that the Government would exercise their discretion very fairly and very sympathetically towards applicants to start kuries. In fact, as was pointed out by Mr. Petta kuries are a source of revenue to the State. As was pointed out by him we make a total revenue of about Rs. 2500 on a kuri of Rs. 5000 sala. It is never the intention of the Government to stifle such institutions. We want to encourage them as much as we can and we want to see that they progress on sound lines. It is to avoid situations of the kind we experienced before that the Government are anxious and therefore, it is that the Government have come with this bill before the House.

Motion put and carried.

Secretary to the Legislative Council: The title of the Billl is "The Cochin Starting of Kuries Restriction Bill".

Mr. T. P. Poulose *(Kanayannur):* Sir, I move that the Bill be referred to a Select Committee consisting of Messrs Joseph Pettah, the Advocate-General, the Comptroller of Finance and Accounts and myself. It is not my idea in moving that this bill be referred to a Select Committee that this bill should drag on for a long period. I would even suggest that the report of the Select Commitee be submitted to this House day after tomorrow and the consideration of this Bill can be had then. The main reason that prompted me to make this motion is the retrospective operation contained in clause 3 of the Bill. An argument has been advanced by the Hon'ble Advocate-General about the restrospective effect. In spite of that I feel that there will certainly be some amount of hardship if this clause is allowed to operate as it is. Clause 3 provides that 75 per cent of the prize amounts in respect of the kainarak and other extra tickets if any subscribed for by the foreman which accrue due after the commencement of this Act should be deposited in such securities as may be approved by the Government. This clause relates to kuries started from 1st Chingam 1118. The purpose for which the starters employ this fund has to be borne in mind when we enact a provision like this. When any subscriber to a kuri makes default and the starter has to pay the prized subscriber and he has to find funds for that, for that purpose he has to draw from this fund. The main profit of the starter in several Kuries consists of the interest which he gets from the kainarak amount which he collects. After getting the kainarak amount the starter invests it in such a manner as would enure to his best benefit. It is out of the return he gets from this investment that he makes his profit. Now if he is denied this return then probably the sum total of the entire transaction may be a net loss to him. When he started the kuri he had no opportunity to take into account the possibility of his being asked to invest the amount in such securities as the Government may prescribe. Such securities will carry only a low rate of interest. Since this legislation was not in force in 1118 or 1119 he never anticipated that he will have to take the heavy responsibility and expenditure of conducting the kuri on his shoulders without the profits derivable from a proper investment of the kainarak amount and now he is asked to deposit this amount in some securities which bears only a low rate of interest. When the kuri terminates the net result may be a loss to him. We have to take into account all these factors before we

LIBRARY ARCHIVES Kerala Legislative Assembly

pass this provision. Therefore, this provision may be discussed in the Select Committee. The Select Committee report may be submitted to-morrow or the day after.

With regard to the analogy given by the Advocate-General of a man being born in 1118 and a penal law being passed this year, I can only say that the fallacy is self evident, because a man has no option to be born or not to be born. A man is born in spite of himself whether there be a penal or not, and he has of course to take the penal laws that is passed by the State. But here the starter could have started or not started a kuri. Suppose this provision in the Bill was law in 1118. Then the starter could have said "There is such a provision and if I start a kuri and invest the amount that I get from the kainarak in Government securities I will get only a small return and if I get only a small return the entire transaction may end in loss for me. He had the option not to start the kuri on the basis of such reasoning. If he were aware that this provision would be enacted in 1120, he may not have started the Kuri. But that does not apply to the birth of the human being and the penal law. I appeal to the Government not to stand in the way of this motion.

*Mr. A. V. Moothedan *(Chalakkudi)*: Sir, I oppose this motion for a Select Committee. The main principle of the Bill has been accepted. I would wish very much that this Bill may be thrown out. But that is impossible when a large number of members are supporting the Bill. How can this Bill be amended? Regarding that there are two amemdments tabled by the Hen'ble Member Mr. Petta. The Hon'ble Member for Cranganur referred to the retrospective operation and that is contained in the amendment tabled by Mr. Petta. It applies only to a few kuries. If that amendment is accepted the question of retrospective operation will go. What is the virtue of appointing a Select Committee. If the Select Committee makes some recommendations and if the Government is not prepared to accept the same what is the use? That amendmend is already here on the agenda paper. Therefore there is no use of referring this Bill to a Select-Cmmiottee. If the Hon'ble Members wanted to give this concession to the starters they can do it here and now.

Another point is this. The main scheme of his Bill cannot be thrown out. That is clear from the position of the House. The principle has been accepted and the House stands committed. How can we make it more liberal and less embarrassing to the kuristarters. Therefore, the first amendment will be acceptable to the Hon'ble Member ior Cranganur.

The next point is 75 per cent must be reduced to 50 per cent. The question is whether the House is prepared to grant that concession. These things can be considered on the floor of this House and therefore, there is absolutely no use of referring this Bill to a Select Committe.

Mr. P. Kumaran Ezhuthassan*(Vadakkancheri)*: For the same reasons I also oppose the motlon for referring the bill to a Select Committee.

Mr. P. V. Raphael *(Comptroller of Finance and Accounts)*: Government also oppose the motion for referring the Bill to a Select Committee. The Hon'ble Member Mr. Petta has tabled two amendments. I though he had accepted the principle of the Bill and I was surprised when I found from his speech that he has shifted very much from that position. Anyway, the object aimed at in this proposal for a Select Committee can be achieved when the Bill is considered clause. by clause.

The amendents tabled by Mr. Petta covers the whole ground and there is no necessity to refer this Bill to a Select Committee.

Mr. T. P. Poulose *(Kanayannur)*: The other point which I wanted the Select Committes to go into concerned another protion of clause 3. Therein it is stated subject, to such restrictions and conditions as the Government may by notifiction in the Cochin Government Gazette impose." I submit to this House that it may be necessary to make this provision more elaborate and make it possible for the starter to draw from the fund under certain conditions and to specify the conditions under which he can draw from this fund. For instance, in the report already cited before this House by the Comptroller of Finance and Accounts and in the Bill passed by this House at the instance of the Government some years ago there are some detailed provisions laying down the conditions under which the starter can draw from this fund. There may be controversial matters in connection with this point and it would be better to have these matters discussed in the Select Committee. We can consider these aspects also and make section 3 more elaborate, My object in moving for Select Committee is that section 3 may be made more elaborate so that the defects may be removed. The whole issue may be clarified. I do not understand why anyone opposes it. It is not for the purpose of dragging on this Bill.

* Speech not corrected by the Hon'ble Member

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The Comptroller himself has said that all these aspects have been discussed in that report. We have got the help of that report to consider these questions. With that report the Select Committee is satisfied that some more elaborate provisions are necessary they can incorporate them and bring it to this House and any member who wants to move any amendment can do so. Why should the Government be so anxious to rush this Bill through the House in a day? If it is passed today or day after tomorrow the effect is just the same. The Government considered it necessary two years ago when that Bill was before this House to incorporate detailed provision. Why should you omit those details now and leave it to the Government to frame rules? I appeal to the Government, not to oppose the motion. That is all what I have to submit. There is a tendency for everyone to perisist in the position once taken. I do not think that this will stand in the way of my motion to refer the bill to a select committes.

Mr. M. Sivarama Menon *(Advocate-General):* I wish to invite to the attention of the Chair to S. O. 35, *i. e.*, paragraph 92 of the Manual, where it is stated that the report of the Committee will have to be published at least 12 days prior to the commencement of the meeting.

Mr. T. P. Poulose *(Kanayannur):* That can be suspended.

Mr. President: I understood the Hon'ble Member who moved that the Bill be referred to a Select Committee to have said that the Committee be instructed to report within two days.

Mr. M. Sivarama Menon *(Advocate-General):* The direction of the House must take in that direction also.

Mr. President: I do not think there is any necessity for any ruling.

Mr. V. K. Bhaskara Menon *(Cranganur):* That is only with regard to publication.

Motion put and lost.

Mr. P. V. Raphael *(Comptroller of Finance and Accounts):* I request that the President be pleased to suspend S. O. 32.

Mr. M. Sivarama Menon *(Advocate-General):* I second it.

Mr. President: Yes.

Mr. P. V. Raphael *(Comptroller of Finance and Accounts):* I move that the bill be taken into consideration.

Mr. M. Sivarama Menon *(Advocate-General):* I second it.

Motion put and carried

Clause 2 put and carried

*Mr. Joseph Petta** *(Adur):* Mr. President, Sir, I beg to move the following amendment to clause 3 of the bill which is now under consideration.

" In clause 3, for 'on or after the first day of Chingam 1118' substitute the words, 'after the commencement of this Act'. "

It is not necessary for me to make any long speech as the matter has been threshed out on the floor of this House in connection with the previous discussion. Only one thing. How far or what degree of retrospective effect there is has been a matter of doubt on the floor of this House. The Advocate-General was pleased to show with an analogy of a born man and an unborn man, that after all there is no retrospective effect given in this Bill because it applies only to amounts which accrue due after the commencement of this Bill. If it is so, I should ask him—of course that is not by way of argument but by way of negative position—what is the sacredness of the date 1st Chingam 1118. It is as good as 1st Chingam 1110 or 1st Chingam 1115, because according to him it applies only to amounts that accrue due after the commencement of this Bill. But what I say is whenever economic contracts are entered into, and in this case there is an optional monetary contract entered into between the foreman on the one side and the subscribers on the other, we must be very careful to interfere with such contracts. Of course there was the criticism of the Hon'ble Member Mr. Pylee about the relation between Thalayalan and Chittalan and such other phraseology imported from Travancore. But it does not require any serious reply. Therefore I say the parties have entered into a monetary contract on an economic matter, and that has been in the year 1118, and they have done it within a certain frame work of law and anticipating certain, or in view of, or taking into reckoning, legal provisions that are already existing and taking upon themselves the consequences implies in those legal restrictions. Afterwards the law comes in and says "no, such and such legal commitments are made and you should take up all that". Suppose this provision of law was in existence before, then you have got the option to withdraw. It is a mutual contract based on an economic principle within the frame work of the existing law. My submission is that this fresh burden should not be made to affect the kuries which were started before the coming into force of this Act. If it

*Speech not corrcted by the Hon'ble Member.

LIBRARY ARCHIVES Kerala Legislative Assembly

is done then there would be very little certainty in these matters. The Advocate-General, an experienced legal luminary that he is, must have shown better respect for contractual relations. These days are surely abnormal days but even in these abnormal days, we find no necessity to go back upon contracts that have already been entered into in the year 1118. The law should apply only to kuries started after the commencement of this Act. Then the foremen and subscribers with open eyes and under the framework of this law would be entering into such contracts. That is my suggestion and that is my submission to the House and I commend this amendment to the acceptance of this House.

Mr. A. V. Moothedan *(Chalakkudi):* I would request the Government in the interests of all concerned to reconsider the whole matter because it is a very reasonable amendment.

Mr. President: Is the Hon'ble Member seconding the amendment?

Mr. A. V. Moothedan *(Chalakkudi):* I am supporting the motion. There is no necessity to second the amendment. I would request the Government to reconsider their position and accept this amendment. It is a legitimate grievance so far as the starters of kuries in 1118 is concerned.

Mr. P. Kumaran Ezhuthassan *(Vadakkancheri):* Sir, I oppose the amendment. The two things that are to be done under this Act are (1) to get permission from the Government for the starting of new kuries hereafter and not kuries started previously. That is clause 2. As far as that is concerned, the Bill is not going to prejudicially affect anybody. The other thing is what is contemplated under section 3, *viz.*, a deposit to the extent of 75 per cent of the foreman's amounts which are due to him subsequent to the commencement of this Act. The words, falling due subsequent to the commencement of the Act are significant. It was lucidly explained by the Hon'ble Advocate-General at an earlier stage. Now the last lines of that section must satisfy the Hon'ble Mover of the amendment. What is stated in that section is that "75 per cent of the prize amounts in respect of the kainarak and other extra tickets, if any, subscribed for by him which accrue due after the commencement of this Act and such investment shall be made within three months from the date on which such amount is due to the foreman under the provisions of the Vaimpu". That clearly shows that if for any ticket owned by a foreman contemplated under this section falls due, that is he gets that money subsequent to the day on which this Bill gets Royal Assent, then within three months from that date that is, the date on which such amount falls due. He has to deposit that amount in securities approved by the Government. Therefore the contractual obligations that had been created with regards to the money that he has already got as a foreman will not be disturbed. If the foreman's share of the money had already been collected prior to the Act and if something had been done with that the operation of that contract or that investment whatever it is, will not be disturbed by the operation of clause 3. If, hereafter any amount of kuri money falls due to the foreman, then 75 per cent of that money must be invested in approved securities within three months. That is all. Where is the disturbance of contractual relations established prior to this Act by this clause, I fail to see. If that lucid explanation of the operative portion of the section made by the Hon'ble Advocate-General will not bring conviction to the Hon'ble Mover of the amendment any attempt of poor me will certainly not produce that effect. There is absolutely no necessity for any amendment on this score upsetting of contractual relation already established. I therefore, oppose the amendment.

Mr. K. S. Panicker *(Ezhuvas-Mukundapuram):* Sir, I oppose the amendment.

ഫ ഫ ഫവ-ലും ഫ ഫ ഫ ൻ-ലും ഇരുന്നൂറ കുറികളോളം വെച്ചതായിട്ട ബഹുമാനപ്പെ
ട്ട ഫിനാൻസു മെമ്പറുടെ പ്രസംഗത്തിൽനിന്നും മനസ്സിലായി. ബഹുമാനപ്പെട്ട അഡ്വർ
മെമ്പർ പറയുകയുണ്ടായി, ബാങ്കുകളിൽ ഇപ്പോഴുംതന്നെ അനവധി പണം ഡെപ്പോസിറ്റ
ചെയ്തിട്ടുണ്ടെന്നു". ആ സ്ഥിതിക്കു യാതൊരു പ്രയാസവുംകൂടാതെ പണം കെട്ടുവാൻ സാധി
ക്കും. പണം ധാരാളമുള്ളതുകൊണ്ടു കെട്ടുവാൻ യാതൊരു വിഷമവുമുണ്ടായിരിക്കയില്ല.
ഫ ഫ ഫവ ചിട്ടും ഫ-ാംന- മുതൽക്കുള്ള കുറികൾ ഈ ബില്ലിൽപ്പെടുത്തിയിട്ടുള്ളതു വള
രെ ദീസണബിളായിട്ടുണ്ടു". ഫ ഫ ഫ ന്ു-ൽ ആണു കുറി ബില്ലു പാസ്സായതു". അപ്പോൾ
മുതൽക്കുതന്നെ കുറി ചിറ്റാളൻമാരും കുരയാളന്മാരുമെല്ലാം രാജ്യം മുഴുവനും ചുറ്റിനടന്നു
സകല ആളുകളുടേയും തലകറക്കി വിട്ടിട്ടുണ്ടു'. ആ കുറികളേയുംകൂടി ഈ ബില്ലിൽ പെടു
ത്തേണ്ടതായിരുന്നു. അതു ചെയ്തിട്ടില്ലെങ്കിലും ഫ ഫ ഫവ മുതൽക്കുള്ള കുറികളെ മാത്രമെ
ങ്കിലും ഗവമ്മെണ്ടു ഇതിൽ മീനിയൻറായിട്ട പെടുത്തിട്ടുള്ളതിൽ യാതൊരു വ്യത്യാസവും വ
രുത്തുവാൻ പാടുള്ളതല്ല. ഈ അഭിപ്രായത്തോടുകൂടി ഞാൻ ഈ ഭേദഗതിയെ എതു ക്കുന്നു.

LIBRARY ARCHIVES Kerala Legislative Assembly

Mr. K. Narayana Menon *(Mulakunnathukavu)*: Sir, I oppose the amendment proposed to section 3. From the statistics presented to this House by the Hon'ble Mover of this Bill it is seen that a very large number of kuries have been started since 1st Chingam 1118 and many lakhs of rupees are involved in the transactions concerned. It is the prime duty of any Government to see that investments already made and kuries already commenced are brought under the purview of the Act and it is also not safe for any Government to concede to this amendment as it involves a very large amount.

About the apprehension regarding the retrospective effect of this Act it has been effectively explained by the Hon'ble Member for Law and I do not think that there can be any objection to future subscriptions being deposited in securities prescribed by Government to be utilised by the foreman himself as occasion arises. For these reasons I oppose the amendment.

Mr. P. V. Raphael *(Comptroller of Finance and Accounts)*: Sir, Government regret that they have to oppose this amendment also. The reasons for that have already been explained. There is no need to apprehend about this retrospective effect because it is only such of the moneys as would come into the hands of the foremen after the commencement of this Act that has got to be secured. Therefore Government regret they cannot accept the amendment.

*__Mr. Joseph Petta__ *(Adur)*: Sir, I have not much to say by way of reply but I would like to remove a misapprehension. I am not of course, a legal luminary or a vakil but still commonsense tells me that there is a retrospective effect. The Hon'ble Member for Vadakkancheri and the Hon'ble Member for Finance and Accounts said that this applies only to moneys collected or moneys accruing after the commencement of this Act. But that money is collected according to the provisions provided in the Vaimpu before the commencement of this Act. In 1118 when the kuri was started they had the right to retain the kainarak amount. It is on account of those—tickets that money occrues after the commencement of Act. It is not money which was not contemplated before the commoncement of the Act. It is money which was contemplated by the foremen and by the subscribers when the kuri was started, *i. e.*, in 1118. According to th phraseology now used it would seem that this collection comes as a sort of windfall. That is not the fact. All these collections were contemplated and specifically provided for in the Vaimpu. It is in accordance with those provisions already contemplated and that is an agreement already entered into and these collections are made after the commencement of this Act. Though the collection comes in after the cammencement of the Act it was agreed upon and contemplated before the commencement of the Act. In that sense I find that there is a real retrospective effect.

Then 75 per cent of the subscription must be deposited. If it is kainarak alone you may say on account of the 75 per cent proposed, the foremen might get a commission. Even there the deficit of the collection will have to be met by the foremen. In respect of tickets taken by the foremen they occupy the same position as any other subscriber. After drawing the ticket he has to pay every instalment Rs. 50 in the case of kuri of Rs. 5500. How is he going to put into the pool Rs. 50 if this Rs. 5000 is to be invested in 2 or 2½ per cent security. If that handicap was there very many people would not have started the kuri. That is my position. This works real hardship on the foremen of the kuri. It is very unfair. Of course, the Government may carry the section. But I once again urge that it is very unfair on the part of the Government to give retrospective effect.

Amendment put and lost

Mr. Joseph Petta *(Adur)*: Sir, I beg to move my second amendment. "In clause 3, line 9, change 'seventy-five per cent' into fifty-five per cent". Now this at least is in the nature of a modest request, the last end of the other. I suppose the House will appreciate the arguments which have been advanced for this request. As I said already, this collection of the kainarak is necessary for the foremen to make up the deficiencies of the future collections when there is a default. If the amount is invested in Government securities that amount would not be available to the foremen.

Secondly in the case of the other tickets, as I have already shown, the injustice is patent there. The foreman has to subscribe Rs. 50. How is he to find Rs. 50 if this amount is to be invested in 2 per cent securities. Therefore, I say that he should not be compelled to invest any portion of the subsequent tickets in Government securities. Full freedom should be given to him to invest the money in such manner as would enable him to find the Rs. 50 which he has to pay every instalment later on just as other subscribers. I do not know whether the Members of the Treasury Bench have understood this aspect of the question. He occupies only the position of

*Speech not corrected by the Hon'ble Member

LIBRARY ARCHIVES Kerala Legislative Assembly

a normal subscriber and if the prize-money is invested in Government securities he would be nowhere with regard to subscriptions he has to pay. Therefore, in the fairness of things he ought not to be compelled to invest any portion of the amount in Government securties. He should be allowed complete freedom to invest that money. But if it comes to the worst at least 74 may be reduced to 50 so that there may be come margin for him. That is a very modest request. I hope the Government will accept that request and to that extent show their sympathy for the foremen of the kuries.

Mr. T. P. Poulose *(Kanayannur)*: Sir, I support this motion and in doing that I may add only one or two words. It is not because I expect any good out of it but I wish to state the reason for supporting the motion.

As the clause now stands the foreman has to deposit whether he collects or not 75 per cent of the entire prize amount. It may be that several subscribers may not have paid their subscriptions within three months which is the period stipulated here. If within three months the subscribers have not paid their subscriptions the foreman has to beg, borrow or steal the amount necessary for the deposit. If the Government had inserted here the provision that he need deposit only the amount which he collects or 75 per cent of the amount which he collects there would not have been any difficulty. Then I would have supported a proposal that a larger percentage of the amount that he collects should be deposited in the bank. Why should the forman be forced to borrow money and deposit in securities?. Why should that burden be imposed on him? (*A voice*: For starting the kuri). We do not consider that starting of a kuri in itself is a sin and so I am not prepared to contribute to Mr. Ezhuthassan's proposition that for starting a kuri the man has to be penalised. I can understand the argument of anti-inflationary measure applying to a case where the foreman collects the amount. Ask him to deposit even 90 per cent of the collections. But now whether he collects or not he has to deposit 75 per cent of the prize amount. It is common experience that foremen are not able to collect within the time prescribed here all the subscriptions. When he fails to collect the prize amount within three months he has to borrow the amount. Sometimes he may be able to realise only 50 per cent of the prize amount within three months. If you change "75" into "50" there may not be much hardship. It is for this reason that, I support the amendment tabled by Mr. Petta.

മിസ്റ്റർ കെ. എസ്സ്. പണിക്കർ: ൪൦ ഉറുപ്പിക കുറിയിൽ വെക്കേണ്ടതു് നിശ്ചിതദിവസം വെക്കാതെ ൫൪ ദിവസം കഴിഞ്ഞാൽ ആ ൪൦ ക.ക്കു് ഒന്നര ഉറുപ്പിക പിഴ കെട്ടണം. അതിനു പലിശയെന്നല്ല പിഴ എന്നാണു് പേരു്. ചിലക്കു കൊടുക്കുന്നതു, ഓനം, ചിലക്കു കൊടുക്കുന്നതു് തിരുമുൽക്കാഴ്ച, ചിലക്കു കൊടുക്കുന്നതു് ഫീസ്സു്, എന്നു പറയാവള്ളതുപോലെ പലിശയായിട്ടു പിഴയുടെപേരിൽ ബാങ്കിൽ അടക്കണം. ഇങ്ങിനെ പലിശ കിട്ടുന്ന സ്ഥിതിക്കു് എഴുപത്തഞ്ചു ശതമാനം എന്തുകൊണ്ടു് അടക്കുവാൻ സാധിക്കുകയില്ല? ബാങ്കിൽ ഡെപ്പോസിറ്റു ചെയ്യുന്നതിൽ പോരാതെവരുന്ന സംഖ്യക്കാണു് മൂന്നു ശതമാനം പലിശ വാങ്ങുന്നതു്. ഫയിൻ ആയിട്ടാണെങ്കിലും പലിശയാണു് വാങ്ങുന്നതു്. അതുകൊണ്ടു് ഇതു് ഒരിക്കലും അനുവദിച്ചു കൊടുക്കരുതു്. ഈ ഭേദഗതിയും ഗവൺമെണ്ടു് സ്വീകരിക്കുവാൻ പാടില്ലെന്നാണു് ഞാൻ പറയുന്നതു്.

Mr. K. Narayana Menon *(Mulakunnathukavu)*: Sir, I oppose the motion. According to the provisions of this section as it stands it is only the kainarak and other ticket if any that is subscribed by the starter of the kuri that is sought to be deposited in securities. It will not be out of place for me to point out that if it was an ordinary ticket subscriber that amount will go to the subscriber and he must furnish security for future instalments. Even in such a case under the old Kuries Act section 24 (2) if a lump sum is collected for future subscriptions the foreman is liable to deposit it in a bank. That is a sufficient safeguard against that amount being defrauded. In the present case if this amount is not ordered to be deposited in Government securities it will enure to the benefit of the starter. There is no security furnished, there is no guarantee that it will be properly subscribed in the future. So that my submission is even this 25 per cent is a concession on the part of the Government and it should not be reduced by even a single pie.

Mr. P. V. Raphael *(Comptroller of Finance and Accounts)*: Sir, Government oppose this amendment. After all these amounts have to be deposited only within three months of the due date. Now, it has been pointed out that the amounts may not be be collected within three months. It is not quite a fact. We have in the last Kuri Committee which was appointed in 1938 elaborate evidence taken on this point and the Committee after examining witnesses who are conducting kuries in Trichur and other places have come to the conclusion "We think in the circumstances that it is only fair to allow the foremen of all monthly kuries three months' time

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to invest the full kuri amounts". That was the finding of the last Kuri Committee after taking full evidence on the subject and in the nature of things it can be expected that the full amount will be realised in three months because if the subscribers fail to pay their subscriptions on the due date they have got to pay a heavy fine as was pointed out by Mr. K. S. Panicker although it may not be up to the extent mentioned by him.

Mr. Joseph Petta *(Adur):* Those who have received the prizes and taken out the money have not to pay any fine, but only a reasonable rate of interest.

Mr. P. V. Raphael *(Comptroller of Finance and Accounts):* They have to pay a fine or penalty or some such thing, If you don't subscribe the amounts at the proper time, after three months' time, the ticket itself is erased from the list and that is what is called as Cheenthipokku There are all these risks to the subscribers of kuries and therefore it cannot be suspected that they will not pay their kuri subscriptions within three months. The Committee gave this three months' time at a time when the depression was at its highest. Now, when people have got a surfeit of money it cannot be expected that there will be such defaults in paying the amount. It is only after three months that the foremen have to invest in these securities. Again, Sir the practice with regard to these Rs. 5,000 monthly kuries is they take the first instalment, then the 6th and generally the 12th. Now by the close of 1119 they would have taken all their amounts and they are exempt from investment. Only the kuries that are started towards the latter part of 1119 will alone have to invest in approved securities. Besides we have put this 75 per cent considering the fact that it is only the bigger banks who have got a plethora of money that have at present to invest these amounts.

Mr. Joseph Petta *(Adur):* What about the subscriptions that the foremen has to put into the common pool on account of tickets he has taken ?

Mr. P. V. Raphael *(Comptroller of Finance and Accounts):* That is all only in paper. They have got every so many other sources of income. I cannot in the limited time at my disposal go deep into the evidence that we have collected in the last kuri committee and explain how these things are managed. They are somehow managing these things.

Mr. Joseph Petta *(Adur):* Sir, in the light of the very very unsatisfactory way in which the Hon'ble Finance Member was explaining how the foremen will be able to collect the whole amount of course, he said that in these prosperous days three months' time is enough—I must say that in spite of that contention if he has got any practical experience in the matter he would have seen that there are very many cases where within three months the money is not collected. The money has to be collected from prized subscribers and it is increasing. It is a progressive rate as more and more tickets are prized. If they make default there is no fine but they have only to pay 9 per cent interest. They can easily forgo it. That is about the collection. If he has got any experience in the matter he will have seen that defaults accumulate to 20, 30. My Hon'ble friend Mr. Panicker says that he has been ruined on account of certain transactions. But that cannot be brought forward as an argument to penalise all kuri starters. What I say is this. If you look into the accounts you will find that defaults are running up to 20 or 30 and even though the law provides interest on the accumulated amount even that is not taken by the Banks. They calculate interest only for instalments because they do not want to put individual parties into difficulties. As I said in the beginning in connection with a previous discussion very many of us have got a prejudiced notion of the kuri when money-lenders were starting kuries and conducting these kuries to the detriment of the public. But nobody who has got any knowledge as to how the kuries are conducted today by recognised banks will have such a notion. I never said that the bill affecting kuries should be delted. There are ever so many weapons or instruments in the law to proceed against these people. I was pleading on behalf of institutions which were conducting kuries in a good manner. If there are one or two institutions conducting kuries badly you should not visit the sins of those badly managed institutions upon the whole lot. Even this 50 per cent collection that the Finance Member accepted will not be coming in with the result that the foreman will have to find money from other sources. The position of the foreman who has taken extra tickets is that of an ordinary subscriber. Then how is he to find the monthly subscription of Rs. 50 to put into the common pool unless he has no freedom to make use of the Rs. 5,000 in such manner as would give him sufficient income. So I think the Government itself has recognised the injustice, the unfairness of this particular provision of insisting on 75 per cent and I just appeal to the Government to be generous enough to reduce that.

Amendment put and lost

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Mr. Joseph Petta *(Adur):* They say Arbuthnot failed Travancore National Bank failed But none of the banks that have started kuries have failed. All these facts are before the Government. I leave it to the Government to do as they like.

Clause 3 put and carried

Mr. A. V. Moothedan *(Chalakkudi):* This is the third request that I am going to make. We are going to penalise those who start kuries. Without forseeing what is going to happen in the near future, there need not be any penal position. There is the Revenue Recovery Act. We can recover the amount by that Act and not by any other method. Even if clause 4 or 5 is omitted there will be nothing at all. The Government will have all the powers. As it is there is the penal position. Government may consider that.

Clause 4 put and carried

Clause 5 put and carried

Clause 1 Preamble and Title put and carried

Mr. P. V. Raphael *(Comptroller of Finance and Accounts):* I request that the Bill be taken up and finally passed to-morrow.

Mr. M. Sivarama Menon *(Advocate-General):* I second it

Motion put and carried

The Cochin Employers' Liability Bill

Mr. C. J. Mathew *(Joint Secretary to Government):* Sir, I rise to move that the Cochin Employers' Liability Bill be read in Council.

Mr. M. Sivarama Menon *(Advocate-General):* I second it.

Mr. C. J. Mathew *(Joint Secretary to Government):* This Bill is a close adaption of the Employers' Liability Act which is now in force in British India. The object of this is to preclude the employer from all suits or damages in respect of injuries sustained by workmen, thereby rendering it possible for the employers dependent to get adequate compensation. The employer usually takes to defence against the payment of compensation. One is the defence of common employment by which the employer is not normally liable to pay damages to a workman for an injury resulting from another workman. The second is the defence of assumed risk by which an employee is presumed to have accepted a risk, if it is such that he ought to have known it to be part of the risk of the occupation. These common defences are proposed to be abrogated by the present legislation. Moreover it is necessary that the labour legislation in our State should as far as possible conform to that in British India. I request that the House will be pleased to vote for the Bill.

Motion was put and carried

Secretary to the Council: The title of the Bill is "The Cochin Employers' Liability Bill."

Mr. C. J. Mathew *(Joint Secretary to Government):* Sir I request that Standing Order 32 be suspended.

Mr. President: Yes suspended.

Mr. C. J. Mathew *(Joint Secretary to Government):* I move that the Bill be taken into consideration.

Mr. M. Sivarama Menon *(Advocate-General):* I second it.

Clauses 2 to 5 put and carried

Clause 1, and Title and Preamble put and carried

Mr. C. J. Mathew *(Joint Secretary to Government):* I request that the Cochin Employers' Liability Bill be taken up and finally passed tomorrow.

Mr. M. Sivarama Menon *(Advocate-General):* I second it.

Motion put and carried

The Cochin Local Authorities Entertainment Tax Act (Amendment) Bill

Mr. C. J. Mathew *(Joint Secretary to Government):* I move that the Cochin Local Authorities Entertainment Tax Act (Amendment) Bill be read in Council. In making this motion I shall briefly explain the purpose of the Bill. Sub-section 1 of section 3 of Local Authorities Entertainments Tax Act provides that entertainment tax shall not be leviable on payments for any entertainment which do exceed three annas. Government consider that in these days of inflation there is no justification whatever, for allowing this exemption from taxation from local areas. The Bill aims at taking it away so that the local authorities will be enabled as an anti-inflationery measure levy a tax on entertainment. The sub-division 2 of section 3 which

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APPENDIX III

The Cochin Starting of Kuries Restriction Bill

Preamble.—WHEREAS it is necessary to restrict and impose conditions upon the starting of kuries and to provide for the investment of the prize amounts drawn by foreman; It is hereby enacted as follws.—

1. *Short title, extent and commencement.*—(1) This Act may be called the Cochin Starting of Kuries Restriction Act 11 .

(2) It extends to the whole of Cochin State and shall come into force at once.

2. *Restriction on the starting of Kuries.*—(1) Except with the consent of Government or of such officer as may be authorised by them in this behalf, no one shall, after the commencement of this Act, start a kuri as defined in the Cochin Kuries Act, VII of 1107 and registerable under the said Act, and no vaimpu shall be registered under section 7 of the said Act, unless the foreman files along with the vaimpu the order sanctioning the starting of the kuri.

(2) No foreman shall issue or publish in Cochin State any notice, circular or other document inviting the public to subscribe for tickets in any intended kuri, or containing the terms and conditions of any such kuri uuless such notice, circular or other document contains a statement that the consent of Government has been obtained for the starting of the kuri.

(3) If any foreman contravenes the provisions of sub-section (2), he shall be punishable with imprisonment for a term with may extend to six months or with fine or with both.

3. *Foreman's prize amount in certain kuries to be invested in securities specified by Government.*—Where the foreman of a kuri started on or after the 1st day of Chingam 1118 is a company incorporated in Cochin State or not, the working capital or paid-up capital of which is not less than three lakhs of rupees or twenty-five thousand rupees respectively, the foreman shall subject to such restrictions and conditions as Government may, by notification in the Cochin Government Gazette impose, invest in such securities as may be specified by Government by like notification, seventy-five per cent of the prize amounts in respect of the Kai Narak and other extra tickets, if any, subscribed for by him which accrue due after the commencemet of this Act and such investment shall be made within three months from the date on which such amount is due to the foreman under the provisions of the vaimpu.

4. *Penalties.*—If a foreman makes default in investing the prize amounts in the manner provided for in section 3, he shall be laible to a fine not exceeding fifty rupees for every day during which the default continues and every officer of the company who is responsible for the proper conduct of the kuri under the terms of the vaimpu and who knowingly and wilfully authorises or permits the default shall be liable to the like penalty:

5. *Application of the Kuries Act not barred.*—The provisions of this Act shall be in addition to and not in derogation of the provisions contained in the Cochin Kuries Act, VII of 1107

Statement of Ojects and Reasons

It is considered necessary as an anti-inflationary measure, to impose certain restrictions and conditions on the starting of new kuries. It is also deemed necessary to provide that where the kuri starter is a big company 75 per cent of the prize amount in respect of tickets owned by the starter should be invested in securities approved by Government. Hence the Bill.

APPENDIX IV

The Cochin Employers' Liability Bill

Preamble.—WHEREAS it is expedient to declare that certain defences shall not be raised in suits for damages in Cochin State in respect of injuries sustained by workmen; it is hereby enacted as follows.—

1. *Short title, extent and commencement.*—(1) This Act may be called the Cochin Employers' Liability Act of 11 .

(2) It shall come into force at once.

(3) It extends to the whole of Cochin State.

2. *Definitions.*—In this Act, unless there is anything repugnant in the subject or context,—

(*a*) "workman" means any person who has entered into, or works under a contract of, service or apprenticeship with an employer whether by way of manual labour, clerical work or otherwise, and whether the contract is expressed or implied, oral or in writing and

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